



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

(A-570-022)

Certain Uncoated Paper from the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (Department) preliminarily determines that certain uncoated paper (uncoated paper) from the People's Republic of China (PRC) is being, or is likely to be, sold in the United States at less than fair value (LTFV), as provided in section 733(b) of the Tariff Act of 1930, as amended (the Act). The period of investigation (POI) is July 1, 2014, through December 31, 2014. The estimated weighted-average dumping margins of sales at LTFV are shown in the "Preliminary Determination" section of this notice. Interested parties are invited to comment on this preliminary determination.

DATES: Effective date: (Insert date of publication in the *Federal Register*.)

FOR FURTHER INFORMATION CONTACT: Stephanie Moore or Paul Stolz, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3692 or (202) 482-4474, respectively.

SUPPLEMENTARY INFORMATION:

## Background

The Department published a notice of initiation of this investigation on February 18, 2015.<sup>1</sup> For a complete description of the events that followed the initiation of this investigation, see the memorandum that is dated concurrently with this determination and hereby adopted by this notice.<sup>2</sup> The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be found at <http://enforcement.trade.gov/frn/>. The signed Preliminary Decision Memorandum and the electronic version of the Preliminary Decision Memorandum are identical in content.

## Scope of the Investigation

The product covered by this investigation is uncoated paper from the PRC. For a full description of the scope of this investigation, see the "Scope of the Investigation," in Appendix I of this notice.

## Scope Comments

Certain interested parties commented on the scope of the investigation as it appeared in the *Initiation Notice*. For discussion of those comments, see the Preliminary Decision Memorandum.<sup>3</sup>

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<sup>1</sup> See *Certain Uncoated Paper From Australia, Brazil, the People's Republic of China, Indonesia, and Portugal: Initiation of Less-Than-Fair-Value Investigations*, 80 FR 8608 (February 18, 2015) (*Initiation Notice*).

<sup>2</sup> See Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, entitled "Decision Memorandum for the Preliminary Determination in the Antidumping Duty Investigation of Certain Uncoated Paper from Indonesia" (Preliminary Decision Memorandum), dated concurrently with this notice.

<sup>3</sup> See also Memorandum from Erin Begnal, Director, Office III, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, entitled "Scope Comments Decision Memorandum for the Preliminary Determination of the Above-Captioned Investigations," dated concurrently with this notice.

### Postponement of Deadline for Preliminary Determination

On May 15, 2015, the petitioners<sup>4</sup> made timely requests for a 50-day postponement of the preliminary determination in this investigation pursuant to section 733(c)(1)(A) of the Act and 19 CFR 351.205(e).<sup>5</sup> On June 1, 2015, we postponed the preliminary determination by 50 days, to August 19, 2015.<sup>6</sup>

### Methodology

The Department is conducting this investigation in accordance with section 731 of the Act. There is one mandatory respondent participating in this investigation, Asia Symbol (Guangdong) Paper Co., Ltd., (AS Guangdong), Greenpoint Global Trading (Macao Commercial Offshore) Ltd., (Greenpoint), and Asia Symbol (Shandong) Pulp & Paper Co., Ltd. (AS Shandong (collectively, Asia Symbol). Export price for this company is calculated in accordance with section 772 of the Act. Because the PRC is a nonmarket economy within the meaning of section 771(18) of the Act, normal value (NV) has been calculated in accordance with section 773(c). Specifically, the Department preliminarily selected South Africa as the surrogate country, which is at the same level of economic development as the PRC and is a significant producer of comparable merchandise. Thus, we calculated NV using South African prices, when available, to value the respondent's factors of production (FOPs). For a full description of the methodology underlying our preliminary conclusions, see the Preliminary Decision Memorandum.

Because mandatory respondents Shandong Sun Paper Industry Joint Stock Co., Inc. (Sun Paper), and UPM (China) Co., Ltd. (UPM) failed to respond to the Department's questionnaire, we preliminarily determine to apply adverse facts available (AFA) to these respondents, in

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<sup>4</sup> The petitioners in this proceeding are United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union; Domtar Corporation; Finch Paper LLC; P.H. Glatfelter Company; and Packaging Corporation of America.

<sup>5</sup> See the petitioners' letters to the Department dated May 15, 2015 and May 18, 2015.

<sup>6</sup> See *Certain Uncoated Paper from Australia, Brazil, the People's Republic of China, Indonesia, and Portugal: Postponement of Preliminary Determinations of Antidumping Duty Investigations*, 80 FR 31017 (June 1, 2015).

accordance with sections 776(a) and (b) of the Act and 19 CFR 351.308. As a part of the application of AFA, we are treating these mandatory respondents as part of the PRC-wide entity. Further, because the PRC-wide entity also failed to cooperate to the best of its ability in complying with our requests for information,<sup>7</sup> we determined an estimated weighted-average dumping margin based on adverse facts available for the PRC-wide entity, which includes the mandatory respondents. For further discussion, see the Preliminary Decision Memorandum.

#### Combination Rates

In the *Initiation Notice*, the Department stated that it would calculate combination rates for the respondents that are eligible for a separate rate in this investigation. Policy Bulletin 05.1 describes this practice.

#### Preliminary Determination

The Department preliminarily determines that the following weighted-average dumping margins exist:

Exporter	Producer	Weighted-Average Dumping Margin (percent)
Greenpoint Global Trading (Macao Commercial Offshore) Ltd.	Asia Symbol (Guangdong) Paper Co., Ltd.; and Asia Symbol (Shandong) Pulp & Paper Co., Ltd.	97.48
PRC-Wide Entity		193.30

As detailed in the Preliminary Decision Memorandum, Sun Paper and UPM did not demonstrate that they are entitled to a separate rate. Accordingly, we consider Sun Paper and UPM to be part of the PRC-Wide Entity. Further, because the Department did not receive a

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<sup>7</sup> Specifically, the Department did not receive responses to its quantity and value questionnaire (Q&V) from the following companies: Shandong Tralin Paper Group (Shandong Tralin); MCC Paper Group (MCC Paper); Shandong Chenming Paper Holdings (Shandong Chenming); Shandong Huatai Paper Industry Shareholding Co., Ltd. (Shandong Huatai); and Shandong Taishan Paper Group (Shandong Taishan). *See* Memorandum to the File, “Antidumping Duty Investigation of Uncoated Paper from the People’s Republic of China: FedEx - UPS Delivery Confirmations (Updated),” dated March 25, 2015.

Q&V response from the following companies, the PRC-wide entity also includes: 1) Shandong Tralin; 2) MCC Paper; 3) Shandong Chenming; 4) Shandong Huatai; and 5) Shandong Taishan.

### Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, we are directing U.S. Customs and Border Protection (CBP) to suspend liquidation of all entries of uncoated paper from the PRC, as described in Appendix I of this notice, entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*.

In accordance with 19 CFR 351.205(d), we will instruct CBP to require a cash deposit equal to the weighted-average amount by which the NV exceeds U.S. price, as indicated in the chart above, adjusted for export subsidies found in the preliminary determination of the companion countervailing duty investigation.<sup>8</sup> Therefore, for cash deposit purposes, we are subtracting from the applicable cash deposit rate that portion of the countervailing duty rate attributable to the export subsidies found in the preliminary affirmative countervailing duty determination. Accordingly, the export subsidy offsets are as follows: 0.13 percent for Asia Symbol, and 0.13 percent for PRC-wide entity.<sup>9</sup> After this adjustment, the resulting cash deposit rates will be 97.35 percent for Asia Symbol, and 193.17 percent for the PRC-wide entity.

Further, pursuant to section 733(d) of the Act and 19 CFR 351.205(d), we will instruct CBP to require cash deposits<sup>10</sup> equal to the weighted-average amount by which NV exceeds U.S. price, adjusted where appropriate for export subsidies, as follows: (1) the cash-deposit rate for the exporter/producer combination listed above will be the dumping margin that the Department determined in this preliminary determination; (2) for all combinations of PRC

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<sup>8</sup> See *Certain Uncoated Paper from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Determination*, 80 FR 36968 (June 29, 2015), and accompanying Preliminary Decision Memorandum.

<sup>9</sup> See Memorandum to the File from Stephanie Moore, Case Analyst, entitled, "Placing Information on the Record: Export Subsidies Calculated in the Preliminary Determination of the Countervailing Duty Investigation of Certain Uncoated Paper from the People's Republic of China," dated concurrently with this notice.

<sup>10</sup> See *Modification of Regulations Regarding the Practice of Accepting Bonds During the Provisional Measures Period in Antidumping and Countervailing Duty Investigations*, 76 FR 61042 (October 3, 2011).

exporters/producers of merchandise under consideration that have not received their own separate rate above, the cash-deposit rate will be equal to the dumping margin established for the PRC-wide entity; and (3) for all non-PRC exporters of merchandise under consideration which have not received their own separate rate above, the cash-deposit rate will be the cash deposit rate applicable to the PRC exporter/producer combination that supplied that non-PRC exporter. These suspension of liquidation instructions will remain in effect until further notice.

#### Disclosure

We intend to disclose the calculations performed to interested parties in this proceeding within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

#### Verification

As provided in section 782(i) of the Act, we intend to verify information relied upon in making our final determination.

#### Public Comment

Interested parties are invited to comment on this preliminary determination. Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than seven days after the date on which the final verification report is issued in this proceeding, and rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs.<sup>11</sup> Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce. All documents must normally be filed electronically using ACCESS.

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<sup>11</sup> See 19 CFR 351.309.

An electronically-filed request must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern Time, within 30 days after the date of publication of this notice.<sup>12</sup>

Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. If a request for a hearing is made, the Department intends to hold the hearing at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

#### Postponement of Final Determination and Extension of Provisional Measures

Section 735(a)(2) of the Act provides that a final determination may be postponed until not later than 135 days after the date of the publication of the preliminary determination if, in the event of an affirmative preliminary determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise, or in the event of a negative preliminary determination, a request for such postponement is made by the petitioner. 19 CFR 351.210(e)(2) requires that requests by respondents for postponement of a final antidumping determination be accompanied by a request for extension of provisional measures from a four-month period to a period not more than six months in duration.

Asia Symbol requested that, in the event of an affirmative preliminary determination in this investigation, the Department postpone its final determination by 60 days (*i.e.*, to 135 days after publication of the preliminary determination), and agreed to extend the application of the provisional measures prescribed under section 733(d) of the Act and 19 CFR 351.210(e)(2), from a four-month period to a period not to exceed six months.<sup>13</sup> In addition, the petitioners also

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<sup>12</sup> See 19 CFR 351.310(c).

<sup>13</sup> See letter from Asia Symbol titled, "Certain Uncoated Paper from the People's Republic of China: Request to Postpone Final Determination," dated July 31, 2015.

requested that, in the event of a negative preliminary determination, the Department postpone its final determination to 135 days after the date of publication of the preliminary determination.<sup>14</sup>

In accordance with section 735(a)(2)(A) of the Act and 19 CFR 351.210(b)(2)(ii), because (1) our preliminary determination is affirmative; (2) the requesting exporters account for a significant proportion of exports of the subject merchandise; and (3) no compelling reasons for denial exist, we are postponing the final determination and extending the provisional measures from a four-month period to a period not greater than six months. Accordingly, we will make our final determination no later than 135 days after the date of publication of this preliminary determination, pursuant to section 735(a)(2) of the Act.<sup>15</sup>

#### International Trade Commission (ITC) Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our affirmative preliminary determination of sales at LTFV. If our final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after our final determination whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

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<sup>14</sup> See letter from the petitioners entitled, “Certain Uncoated Paper from the People’s Republic of China: Request For Postponement of The Final Determination,” dated July 31, 2015.

<sup>15</sup> See also 19 CFR 351.210(e).



This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act and 19 CFR 351.205(c).

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Paul Piquado  
Assistant Secretary  
for Enforcement and Compliance

August 19, 2015  
Date

## **Appendix I**

### **Scope of the Investigation**

The merchandise covered by this investigation includes uncoated paper in sheet form; weighing at least 40 grams per square meter but not more than 150 grams per square meter; that either is a white paper with a GE brightness level<sup>1</sup> of 85 or higher or is a colored paper; whether or not surface-decorated, printed (except as described below), embossed, perforated, or punched; irrespective of the smoothness of the surface; and irrespective of dimensions (Certain Uncoated Paper).

Certain Uncoated Paper includes (a) uncoated free sheet paper that meets this scope definition; (b) uncoated ground wood paper produced from bleached chemi-thermo-mechanical pulp (BCTMP) that meets this scope definition; and (c) any other uncoated paper that meets this scope definition regardless of the type of pulp used to produce the paper.

Specifically excluded from the scope are (1) paper printed with final content of printed text or graphics and (2) lined paper products, typically school supplies, composed of paper that incorporates straight horizontal and/or vertical lines that would make the paper unsuitable for copying or printing purposes.

Imports of the subject merchandise are provided for under Harmonized Tariff Schedule of the United States (HTSUS) categories 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.57.1000, 4802.57.2000, 4802.57.3000, and 4802.57.4000. Some imports of subject merchandise may also be classified under 4802.62.1000, 4802.62.2000, 4802.62.3000, 4802.62.5000, 4802.62.6020, 4802.62.6040, 4802.69.1000, 4802.69.2000, 4802.69.3000, 4811.90.8050 and 4811.90.9080. While HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the investigations is dispositive.

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<sup>1</sup> One of the key measurements of any grade of paper is brightness. Generally speaking, the brighter the paper the better the contrast between the paper and the ink. Brightness is measured using a GE Reflectance Scale, which measures the reflection of light off a grade of paper. One is the lowest reflection, or what would be given to a totally black grade, and 100 is the brightest measured grade. "Colored paper" as used in this scope definition means a paper with a hue other than white that reflects one of the primary colors of magenta, yellow, and cyan (red, yellow, and blue) or a combination of such primary colors.

## Appendix II

### List of Topics Discussed in the Preliminary Decision Memorandum:

- I. Summary
- II. Background
- III. Selection of Respondents
- IV. Period of Investigation
- V. Postponement of Final Determination and Extension of Provisional Measures
- VI. Scope Comments
- VII. Scope of the Investigation
- VIII. Affiliation Determination
- IX. Discussion of Methodology
  - A. Non-Market Economy
  - B. Separate Rates
  - C. Surrogate Country and Surrogate Value Data
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  - F. Significant Producer of Comparable Merchandise
  - G. Data Availability
  - H. Date of Sale
  - I. Fair Value Comparisons
    - a. Determination of the Comparison Method
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  - J. Export Price
  - K. Value-Added Tax
  - L. Normal Value
  - M. Factor Valuation Methodology
- X. Currency Conversion
- XI. Application Of Facts Available And Adverse Inferences
  - A. Use of Facts Available
  - B. Application of Facts Available with an Adverse Inference
  - C. Corroboration of the AFA Rate
- XII. Adjustment Under Section 777a(F) Of The Act
- XIII. Verification
- XIV. U.S. International Trade Commission Notification
- XV. Disclosure And Public Comment
- XVI. Conclusion
- XVII. [FR Doc. 2015-21173 Filed: 8/25/2015 08:45 am; Publication Date: 8/26/2015]